



Sandy Pearson, President & CEO  
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Re: House Bill 5182; Nonprofit Property Tax Exemption, Provide for Temporary Relief

Dear Members of the Michigan House of Representatives,

My name is Sandy Pearson and I am President and CEO of Habitat for Humanity of Michigan. I present on behalf of 73 local and regional Habitat for Humanity affiliates statewide serving low-income families with affordable housing solutions.

I am in support of House Bill 5182 which will allow Habitat for Humanity to acquire unoccupied properties in residential neighborhoods that often are not producing tax revenue and develop them into property tax-generating single family and duplex homes to be purchased by low-income families. The HB 5182 property tax exemption is temporary and short term, and will ultimately increase tax revenue.

Michigan Habitat for Humanity affiliates are currently holding 313 properties and paying \$188,000 in property taxes as they build, rehab, or repair the homes on these properties. HB 5182 will allow this money to be used directly in the local economies developing and repairing additional housing. The increase in the value of these homes will in turn increase the value of property taxes generated. The bill will also allow Habitat for Humanity to take ownership of more properties in response to the demand of their respective communities. These properties will be developed within a five year period as funding is secured and capacity is established.

I represent:

- 73 local Habitat for Humanity affiliates in the State of Michigan
- More than 1,000 board and committee members
- 20,000 dedicated regular volunteers and up to 100,000 volunteers on special projects
- 180-plus Habitat for Humanity employees
- Over 5,200 families(15,000 individuals) who are now living in decent, affordable homes contributing more than \$10.4 million per year in property taxes
- Habitat for Humanity works because we provide a hand up, not a hand out.
- All of our families pay mortgages
- All of our families pay property taxes
- We restore properties to tax-generating community assets

On behalf of Habitat for Humanity in Michigan, I thank you for your time and ask for your support in passing House Bill 5182 to further our ability to purchase properties with a plan for development while alleviating the carrying costs until sold.



Before and after photo of Monroe County Habitat for Humanity home demonstrating a value to the community.



The developed home is now generating property taxes.